**Chapter 13: Customer Service and Support in Web Space**

**MULTIPLE CHOICE**

1. True statements about the financial importance of customer service include:

a. it is not possible to measure business losses due to poor customer service.

b. customers who have problems are unlikely to repurchase, whether their problem is resolved or not.

c. businesses around the world lose millions of dollars in business each year as the result of poor customer service.

ANS: C REF: pp. 350-351

2. \_\_\_\_\_\_\_\_ was among the techniques Harrah's Casinos used to improve customer service.

|  |  |
| --- | --- |
| a. | Changing the rules on interaction between customers and employees |
| b. | Tracking the satisfaction scores of individual casino employees |
| c. | Cash bonuses based on casino satisfaction scores |

ANS: C REF: pp. 351-352

3. Market segments that are willing to spend more if customer service is good include:

a. affluent customers.

b. young professionals.

c. both of the above.

ANS: C REF: p. 352

4. Portakabin promises customers that it will:

a. deliver quality customer service

b. reduce the cost of products to the customer

c. deliver every product in 10 days

ANS: A REF: p. 355

5. Which of the following is a true statement about what consumers want compared to what they usually get in terms of customer service?

a. The first thing they want is their money back

b. There is a wide gap between what customers want and what they get

c. They want to be able to submit negative product reviews

ANS: B REF: p. 356

6. Which of the following is **not** a way that consumers expect to access a firm for customer service and support issues?

|  |  |
| --- | --- |
| a. | Contacting a telephone call center |
| b. | Contacting the business by e-mail |
| c. | Reading the product manual |

ANS: C REF: p. 357

7. \_\_\_\_\_\_\_\_ represents the final stage in the evolution of customer services practices within an enterprise.

|  |  |
| --- | --- |
| a. | Moving some customer service activities to the web |
| b. | Anticipating and delivering service and support before the customer recognizes the need |
| c. | Providing live customer service |

ANS: B REF: p. 358

8. \_\_\_\_\_\_\_\_ is the most expensive of the customer service techniques listed below.

|  |  |
| --- | --- |
| a. | A telephone call handled by a live service rep |
| b. | An email handled by a live service rep |
| c. | Live chat on the web |

ANS: A REF: p. 359

9. Consumers prefer self service when:

|  |  |
| --- | --- |
| a. | it has nothing to do with technology. |
| b. | when it works properly to meet their needs. |
| c. | when there are no other reasonable alternatives. |

ANS: B REF: p. 360

10. Which of the following is a true statement about customer service at Eddie Bauer?

|  |  |
| --- | --- |
| a. | It is successful because of ties to its retail stores. |
| b. | Customer service was a principle espoused by the original founder. |
| c. | There was a successful customer service initiative when it first built its website. |

ANS: B REF: p. 361

11. \_\_\_\_\_\_\_\_ is **not** an acceptable part of a process for delivering exceptional customer service.

|  |  |
| --- | --- |
| a. | Resolving the customer's issue in a timely fashion |
| b. | Assuring the customer that the problem is being resolved |
| c. | Locating and assigning blame for the problem |

ANS: C REF: p. 362

12. Benefits of online provision of service in applications such as government agencies include:

|  |  |
| --- | --- |
| a. | being able to focus on customers with difficult problems. |
| b. | reducing the volume of calls and emails. |
| c. | both of the above. |

ANS: C REF: p. 364

13. Themes that recur frequently in the discussion of customer service include:

|  |  |
| --- | --- |
| a. | the high cost of exceptional customer care. |
| b. | the need to invest time and resources in providing good customer care. |
| c. | the recognition that quality management concepts are ineffective in the area of customer service. |

ANS: B REF: pp. 364-365

14. Steps in developing a strategic customer care program include:

|  |  |
| --- | --- |
| a. | segmentation analysis of the customer base. |
| b. | outsourcing parts of the customer care program. |
| c. | moving to service delivered entirely by human agents. |

ANS: A REF: p. 365

15. \_\_\_\_\_\_\_\_ is one web-based technology for delivering customer service.

|  |  |
| --- | --- |
| a. | Integrated back-end systems |
| b. | Access via mobile devices |
| c. | Landing pages |

ANS: B REF: p. 366

16. Which of the following is **not** a true statement about providing customer service in social media?

a. Customer service in social media only works for high technology firms.

b. Social platforms must be monitored consistency to identify customer problems.

c. Providing customer service in social media requires a considerable amount of employee time.

ANS: A REF: p. 367

17. \_\_\_\_\_\_\_\_ is the result of analysis and segmentation by customer value.

|  |  |
| --- | --- |
| a. | Proactive customer service |
| b. | Automated customer service |
| c. | Differentiated customer service |

ANS: C REF: p. 368

18. One tool that can be used in building anticipatory customer service programs is:

|  |  |
| --- | --- |
| a. | customer scenarios. |
| b. | problem resolution strategies. |
| c. | customer service guidelines. |

ANS: A REF: p. 369

19. Providing excellent experience for customers requires:

a. engaged employees.

b. revision of the company website.

c. using technology to meet customer needs.

ANS: A REF: p. 369

20. Among the benefits that exceptional customer service confers on enterprises that can deliver it are:

|  |  |
| --- | --- |
| a. | elimination of the need for measuring customer satisfaction. |
| b. | sustainable competitive advantage. |
| c. | decreased cost of customer acquisition. |

ANS: B REF: p. 369

**TRUE/FALSE**

1. Customer service has improved in recent years because of technology in general and the Internet in particular.

ANS: F REF: p. 349

2. The only reason to deliver excellent customer service is to keep customers happy.

ANS: F REF: pp. 350-351

3. Cutting back on customer service is a good way to reduce costs.

ANS: F REF: pp. 351, 353

4. Some market segments, including affluents, are willing to spend more with a business that provides good customer service.

ANS: T REF: p. 352

5. One thing customers want from customer service is to be treated with dignity.

ANS: T REF: p. 356

6. Most customers prefer impersonal, self-service customer service channels.

ANS: F REF: p. 357

7. Anticipatory customer service means asking customers what services they need and then providing those services.

ANS: F REF: p. 258

8. Customers generally react unfavorably to self-service options.

ANS: F REF: p. 359

9. When they see the need, enterprises like British Airways can quickly develop a strong customer service program.

ANS: F REF: pp. 362-363

10. Web-based delivery of customer service is flourishing in the government marketspace also.

ANS: T REF: p. 364

11. It is important to provide customers with multiple channels for obtaining customer service that ends with a live person if the situation warrants.

ANS: T REF: pp. 364-365

12. The responsibility for customer service resides only in the customer service department.

ANS: F REF: pp. 364-365

13. Investment in customer service technologies should be made only after customer data has been collected and customer segments and their needs identified.

ANS: T REF: p. 265

14. Differentiated customer service should be based on a careful analysis of customer lifetime value segments.

ANS: T REF: p. 368

15. Customer experience is one element of customer service programs.

ANS: F REF: p. 369

**ESSAY**

1. The text asserts that being able to deliver exceptional customer service can produce a sustainable competitive advantage. Discuss whether you agree or disagree with this statement, providing as much support as possible for your position.

ANS:

The basis for this statement is repeated a number of times throughout the chapter. Good customer service is hard to do. It takes a long time, a lot of effort and significant resources to develop a good customer service program. These factors all make it difficult for competitors to play catch up. The advantage is real and, if firms continue to work on service, sustainable.

REF: p. 369

2. There are many technologies that can help deliver customer service. Choose three of the technologies discussed in the chapter. Explain the nature of the technology and its potential advantages and disadvantages in customer service applications.

ANS:

The technologies are:

Telephone-Related Technologies

* Interactive voice response (IVR)
* Intelligent call routing
* Call recording
* Help desk/problem-tracking software

Website Technologies

* Email response management systems (ERMS)
* Embedded service modules
* Mobile applications
* Agent technology

There are other more specific technologies like eticketing that are mentioned throughout the chapter. It might be good to ask students to give an example of each as used by some company with which they are familiar.

REF: p. 366